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#### **Health Services Cost Review Commission**

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TO:

All Hospital Chief Financial Officers

FROM:

William H. Hoff Chief, Audit & Compliance

DATE:

June 14, 2019

RE:

Emergency Department Services - Relative Value Units

On June 12, 2019, the Health Services Cost Review Commission approved for final adoption the revision to the Relative Value Units (RVUs) scale for Emergency Department Services. The revisions are specific to The Chart of Accounts and Appendix D of the Accounting and Budget Manual. These revised RVUs are based on CMS national cost weights and were reviewed by a workgroup facilitated by the HSCRC staff.

The RVU scale was updated to reflect linkages of RVUs to the CPT codes to reflect changes in clinical practices and to link charging guidelines for Emergency Department services to national definitions, consistent with the HSCRC's plan to adopt national RVUs where possible.

The attached RVUs in the Revised Appendix D for Emergency Services are to be utilized beginning July 1, 2019. In order to ensure that the revision is revenue neutral, your FY 2020 Rate Order will be issued utilizing the conversion factor developed by your staff.

If you have any questions, please feel free to contact me at 410 764-3448 or via email at willliam.hoff@maryland.gov.

Account Number 6710

Cost Center Title
Emergency Services

Cost Center Code EMG

HSCRC abbreviation for Emergency Department

#### **EMTALA**

**EMG** 

Emergency Medical Screening Examination mandated by the Emergency Medical Treatment & Labor Act (EMTALA) to be provided to every person who seeks emergency care.

### Relative Value Units (RVUs)

A standard unit of measure. A unique value or weight assigned to a specific service, e.g., number of visits for a particular hospital unit.

The RVUs for this cost center are based on resource consumption. Each facility is expected to develop, retain, and maintain Internal Guidelines, which identify the resources consumed. These resources may include but are not limited to time, staff intervention, complexity, patient severity, etc. The facility's Internal Guidelines are to be used for the purpose of maintaining Service Level reporting consistency among patients receiving comparable or similar treatment/care/resource consumption; and for patients who receive greater (or lesser) treatment/care/resource consumption to be assigned an appropriately higher (or lesser) Service Level.

#### **General Guidelines**

- 1. There is a direct relationship between the amounts of EMG resources consumed by a patient and the Service Level assigned to the patient.
- 2. The facility will prepare, record, and maintain appropriate documentation to support and justify the Service Level assigned. If a service or task is not documented, then that service or task cannot be included in the determination of the Service Level assignment. Patients are not to be charged, nor RVUs reported for a service or task that is not documented. Physician services are not to be included in the determination of Service Levels.
- 3. The facility's Internal Guidelines may not be totally inclusive or explanatory. It is recognized that the circumstance of the visit and the Service Level selected will involve a degree of clinical judgment and patient acuity. It is recommended that each facility's Internal Guidelines include an analysis of resource use and the services provided by EMG staff. The format and content are at the facility's discretion.
- 4. Charges for EMG services are a by-product of all expenses and RVUs assigned to the EMG department. Ancillary services can be provided within the EMG area (e.g., laboratory, radiology, respiratory, etc.). If the cost of providing an ancillary service in the EMG is assigned to the ancillary center, regulated charges for that ancillary service must be included as a separate line item in the patient bill. However, if the cost associated with

an ancillary service is assigned to the EMG department (e.g., an EMG registered nurse or other EMG personnel providing respiratory care or specimen collection), then the cost associated with the service is part of the EMG determination of Service Level. It is recommended that this distinction be part of the facility's Internal Guidelines.

- 5. EMG patients will be assigned a Service Level based on total resources consumed, from the EMTALA Medical Screening Examination to final patient disposition.
- 6. In addition to EMG Service Level charge, the hospital will charge separately for drugs, supplies, and ancillary services (as noted in 4 above). Professional fees are not regulated by the HSCRC and, therefore, are not included in the hospital's charges. Professional fees would be a separate charge.

<u>CPT Services Levels</u>		
99281	Level I/ EMTALA (Medical Screening Examination)	1
99282	Level II	1
99283	Level III	2
99284	Level IV	4
99285	Level V	7
99291	Level V	7

Each patient receives an EMTALA Medical Screening Examination and almost all patients receive subsequent treatment. Some payers prefer that the EMTALA screening be billed as a separate line item and post-EMTALA treatment as a separate line item. Other payers prefer that the EMTALA screening be bundled with post-EMTALA treatment as one line item. Therefore, applying the above RVU table, when combining EMTALA screening and post-EMTALA treatment, patients would be billed the following RVUs:

Total RVUs	s to be bille	ed by CPT Services Levels	RVU
99281	Level I	(Includes EMTALA)	1
99282	Level II	(Includes EMTALA)	2
99283	Level III	(Includes EMTALA)	3
99284	Level IV	(Includes EMTALA)	5
99285	Level V	(Includes EMTALA)	8
99291	Level V	(Includes EMTALA)	8

ECS (Extended Care Services) - The RVUs assigned are based on clock time.

1 RVU per 2 hours for a period up to 48 hours (maximum of 24 RVUs).

### Extended Care Service (ECS)

- This service is associated with outpatients who have received EMG services and are awaiting transfer/discharge to another facility. Some examples include: tertiary care facility, nursing home, inpatient psychiatric facility, etc. The services being provided to the patient during ECS may or may not be resource intensive.
- This is an add-on RVU to Level V only (e.g., ECS RVUs may be added to the Treatment Level V RVUs) and is for services provided AFTER EMG Treatment.
- If services provided during ECS are resource intensive, the Service Level may be increased.
- Extended Care Services are based on "clock time." For each full two hour period of clock time, one (1) RVU is assigned. Any partial hours are rounded down to the nearest full two hour period. For example, two hours and five minutes is reported as two hours = one RVU. Two hours and fifty-five minutes is reported as a two hour period = one RVU.
- To qualify for ECS reporting, the patient must be an outpatient and must be transferred to another facility. The transfer must be fully documented in the medical record.

- Below are four examples of the proper reporting of Extended Care Service:
  - 1. A patient begins his EMG visit at noon. The resources utilized resulted in a service Level V being assigned. The patient is stabilized and is to be transferred to another facility. The time is now 12:55 pm. Due to conditions beyond the control of the transferring hospital, the transfer is delayed for four and one half (4.5) hours. The reporting of RVUs would be as follows: EMTALA 1 RVU plus Service Level V 7 RVUs, plus ECS for 4 hours = 2 RVUs (rounded down to four hours from the actual of four and one half hours), the total RVUs reported would be 10.
  - 2. A patient begins his EMG visit at noon. The resources utilized resulted in a service Level III being assigned. The patient is stabilized and is to be transferred to another facility. The time is now 12:45 pm. The patient is immediately transferred to another facility. The reporting of RVUs would be as follows: EMTALA 1 RVU, plus Service Level III 2 RVUs. There are no ECS RVUs reported, because the Service Level was not Level V.
  - 3. A patient begins his EMG visit at noon. The patient is stabilized and is to be transferred to another facility. The resources utilized resulted in a Service Level IV being assigned. The time is now 1:00 pm. Due to conditions beyond the control of the transferring hospital, the transfer is delayed for four and one half (4.5) hours. The reporting of RVUs would be as follows: EMTALA 1 RVU plus service Level IV 4 RVUs. There are no ECS RVUs reported, because the Service Level was not Level V.
  - 4. A patient begins his EMG visit at noon. The patient is stabilized and is to be transferred to another facility. The resources utilized resulted in a service Level III being assigned. Due to conditions beyond the control of the transferring hospital, the transfer is delayed for nine (9.0) hours. Significant resources beyond typical ECS services were utilized during the first three hours of the delay causing the Service Level to be increased from

Level III to Level V. The remaining six (6) hours of the delay are now considered ECS. The reporting of RVUs would be a follows, EMTALA 1 RVU plus services Level V 7 RVUs, plus ECS for 6 hours 3 RVUs. The total RVUs reported would be 11 RVUs.

### SECTION 200 CHART OF ACCOUNTS

6710 EMERGENCY SERVICES
6711 Emergency Room
6719 Other Emergency Services

#### **Function:**

Emergency Services provide emergency services to the ill and injured who require immediate medical or surgical care on an unscheduled basis. (See Appendix D for definition of services)

#### **Description**

This cost center contains the direct expenses incurred in providing services in the Emergency Department. Direct expenses included are: salaries and wages, employee benefits, professional fees (non-physician), non-medical supplies, purchased services, other direct expenses.

Standard Unit of Measure: Number of Relative Value Units

Relative Value Units as determined by the HSCRC. (See Appendix D of this manual)

#### **Data Source**

The number of Relative Value Units shall be the actual count maintained by Emergency Services.

Reporting Schedule
Schedule D – Line D19